

## PRESS RELEASE

### **Shared Agent Banking System (SABS) launched.**

**25<sup>th</sup> April Kampala, Uganda.**

In an effort to increase financial inclusion and enable spread & penetration of banking services, the Uganda Bankers Association has today launched the **Shared Agent Banking System (SABS)**.

Agent banking is an extension of banking services outside the conventional bank branches, where a licensed and supervised financial institution contracts a third party operator (agent), who is approved by Bank of Uganda, to provide permitted financial services on its behalf.

The Shared Agent Banking System is an initiative of the Uganda Bankers Association that enables connectivity between member banks to enable agents serve customers of any other member bank to minimize duplication of agency networks and increase/maximize points of presence to ensure coverage across the country.

This platform was approved by the Central Bank on the 28<sup>th</sup> of December 2017 for members of the Association to conduct agent banking business.

In the National Financial Inclusion Strategy (NFIS) launched on 26<sup>th</sup> October 2017, the Government of Uganda through its NFIS Secretariat housed at the Central Bank placed all member banks as implementing partners of the national strategy and are represented at the inter-institutional committee on financial inclusion by Uganda Bankers Association.

The goals of the Shared Agent Banking Platform therefore speak to pillar No 3 of NFIS of building digital financial infrastructure to reduce access barriers to financial services and as an enabler for driving penetration in addition to deepening and broadening the range of financial products & services uptake.

7 banks are already connected on to the system including Stanbic Bank, Barclays Bank, Bank of Africa, Diamond Trust Bank, DFCU Bank, Housing Finance Bank and GT Bank. 14 additional Banks are at different stages of the integration process and securing the necessary regulatory approvals.

Speaking at the official launch event, the Executive Director, Uganda Bankers' Association Mr. Wilbrod Owor said, "This is a major milestone for the banking sector in Uganda. Extension of banking services and bringing on board the bigger proportion of our population to the formal banking system is the ultimate objective of this initiative he said".

Mr. Richard Yego, the Ag. CEO Agent Banking Company further noted, "An Agent could be a petrol station, a supermarket, a permanent mobile money agent, a pharmacy, a retail shop or hardware store that is fully licensed and has been existence for one year." Banking services will now be available in the neighbourhood.

Mr. Paul Mbugua, the Group Managing Director, Eclectics International Limited, the technology firm that partnered with UBA to develop the platform stated that, "This has been a great journey together with the banks, we have been able to build a secure and interoperable platform that will facilitate access to real time transactions.